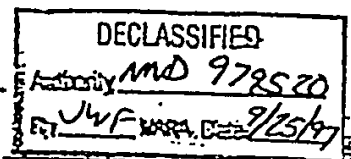


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1974/11/26



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THE WHITE HOUSE
WASHINGTON

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MEMORANDUM OF CONVERSATION

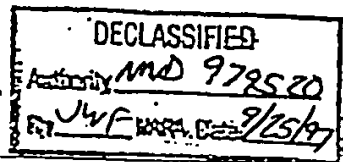
PARTICIPANTS:

Teng Hsiao-p'ing, Vice Premier of the State
Council, People's Republic of China
Ch'iao Kuan-hua, Minister of Foreign Affairs
Ambassador Huang Chen, Chief of the PRC
Liaison Office, Washington
Lin P'ing, Director, Department of American
and Oceanic Affairs, Ministry of Foreign
Affairs
T'ang Wen-sheng, Deputy Director, Depart-
ment of American and Oceanic Affairs,
Ministry of Foreign Affairs
Chu Ch'uan-hsien, Director, Protocol Depart-
ment, Ministry of Foreign Affairs
Tsien Ta-yung, Counselor, PRC Liaison
Office, Washington
Ting Yuan-hung, Director, United States Office,
Department of American and Oceanic Affairs
Ministry of Foreign Affairs
Chao Chi-hua, Deputy Director, United States
Office, Department of American and Oceanic
Affairs, Ministry of Foreign Affairs
Chang Han-chih, Translator
Lien Cheng-pao, Notetaker

Dr. Henry A. Kissinger, Secretary of State
and Assistant to the President for National
Security Affairs
Donald Rumsfeld, Assistant to the President
Ambassador George Bush, Chief of the United
States Liaison Office, Peking
Ambassador Robert Anderson, Special
Assistant to the Secretary of State for
Press Relations
Winston Lord, Director, Policy Planning
Staff, Department of State
Philip C. Habib, Assistant Secretary of State
for East Asian and Pacific Affairs

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CLASSIFIED BY: HENRY A. KISSINGER



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William H. Gleysteen, Deputy Assistant
Secretary of State for East Asian and
Pacific Affairs

John H. Holdridge, Deputy Chief, United
States Liaison Office, Peking

Oscar V. Armstrong, Director, People's
Republic of China and Mongolian Affairs,
Department of State

Richard H. Solomon, Senior Staff Member,
National Security Council

Robert C. McFarlane, National Security Council
Karlene Knieps, Notetaker

DATE AND TIME: Tuesday, November 26, 1974, 10:20-11:02 a.m.

PLACE: Great Hall of the People
Peking, People's Republic of China

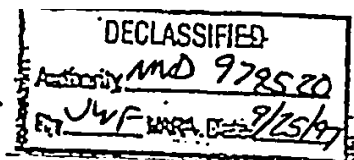
SUBJECT: ; Introductory Tour d'Horizon: Japan;
Bilateral Relations and Normalization

[Note: The discussion began with members of the American press party traveling with the Secretary in the room. Some of Vice Premier Teng's remarks seemed oriented to this press presence.]

Vice Premier Teng: I would like to take this opportunity to once again express our welcome to the Doctor on his seventh visit to China. I might also say this is the third time we have had the opportunity to exchange views this year. And we hear that the Doctor has made a trip around the globe recently. So we are happy to have this opportunity to have an exchange of opinions again with the Doctor and all the other friends on your staff -- to provide us with the opportunity to exchange views not only with old familiar friends, but with new friends like, for instance, Mr. Rumsfeld

Secretary Kissinger: I want to thank you on behalf of my colleagues for the very warm reception we have received here. We have, as you said, had three exchanges this year with you and with the Foreign Minister, and we always progress in our relationship.

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Vice Premier Teng: It probably would be good if one day we would be able to exchange views in Washington.

Secretary Kissinger: I hope we can do that very soon --

Vice Premier Teng: I think it is a common desire, and that is good.

Secretary Kissinger: -- because your Foreign Minister always refuses my invitations.

Vice Premier Teng: It is difficult for him to come now. What will he do if he meets the Chiang Kai-shek Ambassador in Washington?

[Note: At this point in the conversation the press is ushered from the room.]

Secretary Kissinger: I thought he wanted to wait until the Ambassador's [Huang Chen's] residence was fully furnished. I think we can arrange a visit so that there is no danger of his meeting anybody there he wishes to avoid.

Vice Premier Teng: It might be difficult.

Secretary Kissinger: That we could arrange, and we are prepared on this visit to discuss the whole question of normalization.

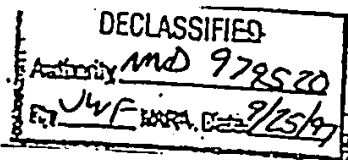
Vice Premier Teng: That is good. We have just received news that Tanaka has resigned.

Secretary Kissinger: Yes. I think I told your Foreign Minister last night that we knew he would resign this morning. Our indications are that there will now be a rush of consultations in which -- . All the candidates are in favor of consultation because they think they will emerge as the Prime Minister. I think there will be an election around December 9. We think that Ohira is the most likely to succeed him, and if he doesn't make it then Shiina will probably become the successor.

Vice Premier Teng: What about Fukuda?

Secretary Kissinger: We don't think Fukuda can make it now, and therefore if they want Fukuda they will first put in Shiina as a transitional figure.

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Vice Premier Teng: But you should also know that Fukuda would be voted for by the Soviet Union too.

Secretary Kissinger: This I frankly would not know.

Vice Premier Teng: Their relationship is growing closer day-by-day.

Secretary Kissinger: Between Fukuda and Shiina, or between the Japanese and Soviets?

Vice Premier Teng: No, between Fukuda and the Soviet Union.

Secretary Kissinger: This I was not aware of.

Vice Premier Teng: Would you vote for Ohira?

Secretary Kissinger: I, personally? Ohira personally is a good friend of mine. And we would be very content with Ohira. And we are certainly not supporting Fukuda.

Vice Premier Teng: So we would have similar opinions.

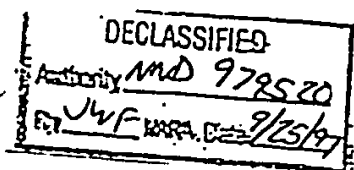
Secretary Kissinger: We have no difficulty at all with Ohira. He would support the policy we are familiar with.

Vice Premier Teng: That is so, and we also feel that one of the characteristics of Ohira is that what he says counts. And perhaps, in this respect, if he carries out a certain policy he might be even more firm than Tanaka.

Secretary Kissinger: Well, he is more experienced than Tanaka. In any event, we think that in all probability Ohira will be Prime Minister. And if for any reason he should not be, which we do not expect -- but it isn't certain where it could line up. My student [Nakasone] has not yet declared himself. He has his uses. But if there should be some other Prime Minister, you should know that the U.S. believes that the Japanese foreign policy is continuing, and we will encourage them to maintain the course they have begun, particularly regarding China.

Vice Premier Teng: Even if Fukuda should be Prime Minister, we don't think it would be of any great consequence. Perhaps there might be some twists and turns because in the development of events there are always difficulties.

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Secretary Kissinger: We think Japan would have to be very careful to come closer to the Soviet Union. It is a very dangerous course for Japan.

Vice Premier Teng: But no matter whoever comes to office, they still have a fundamental issue they cannot solve. This issue we discussed last night. The question of the Northern Territories [the four northern islands which Japan wants the Soviets to return].

Secretary Kissinger: We will know in ten days, which is more than you can say of most international events. Perhaps after the Prime Minister is selected, if there is an unexpected development, we can exchange ideas.

Vice Premier Teng: So how do you think we should carry on our talks?

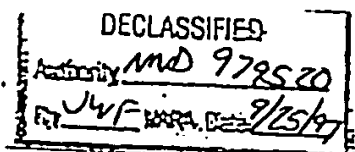
Secretary Kissinger: I think perhaps we can make a few observations now of a general nature, and then we might work in smaller groups. One set of views should concern our usual review of the international situation, and then discussion of continuing the process of normalizing relations. The second set of views covers more technical issues, which we should have discussed among our experts.

On the bilateral issues, if I could perhaps say one word before the experts get carried away with their enthusiasm: Such issues as the bilateral exchanges and cultural agreements are essentially a symbolic aspect of our foreign policy, of our political relations, and therefore we will deal with them in this context. Frankly I am indifferent as to whether there is a million dollars more or less in settling the question of blocked accounts, or whether one group more or less goes back and forth between the United States and China. We should use these as a symbol of our overall relationship. So when you want to settle them [the claims/assets problems] you let us know, and we will find a way of settling them.

We believe that, hopefully conditions are favorable to show some advance in our relationship. We think this is, would be, a fulfillment of the principles of the Shanghai Communique as well as some of the discussions we had when we made our first visits to China. We think it is desirable in terms of the overall international situation, so that there is no misunderstanding about the evolution of our relationship in the eyes of other countries.

So we are prepared. On the other hand, we won't press you, and you let us know at what speed you want to proceed on these technical bilateral

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issues. The advantage of discussing them while I am here is that the complexity of the issues tends to increase by the size of my staff, and on this basis you and I and the Foreign Minister can talk and we can cut through the complexities somewhat more rapidly.

To return to the more decisive issues I spoke about with the Foreign Minister in New York in October: With respect to our general views on normalization, and this is one of the topics we can discuss with greater precision when we meet in smaller groups, I simply wanted to say that we are prepared to discuss seriously and in an attempt to meet the time limit we previously discussed in my past meetings with the Prime Minister [Chou En-lai].

The second category of problems is our usual detailed review of the international situation. The press always asks me before I come here whether I am coming to reassure the Chinese. They also always tell me that our relationship has deteriorated. But you cannot reassure serious people by words. What we have done, as you know and as all our friends who have been at these meetings [know], is to give you as detailed a description of our intentions and strategy as is possible -- and I would say more detailed than with any other country. As you know -- I think you may have learned that our word counts, and that you have not been surprised by an foreign policy moves we have made. I think that during the course of the last year things have evolved about as we discussed when I was here [in November, 1973]. And we are prepared to do this [review] again for the near future.

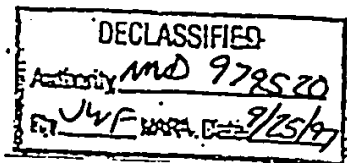
This would seem to me to be the most useful way we could spend our time, but we are open to any suggestions as to approaches that you would suggest.

Vice Premier Teng: That's all?

Secretary Kissinger: It is one of my shortest speeches. [Laughter] I also have a fifty minute version, as your Foreign Minister knows.

Vice Premier Teng: As for the way of holding the talks, we are in agreement that some questions can be discussed in smaller groups as you suggested. And in the Doctor's discussions with the Foreign Minister this October, you laid stress on both bilateral and especially international issues. And we welcome the words expressed by

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Dr. Kissinger in his toast yesterday to the effect that you would foresee further progress on the issue of normalization along the lines of the Shanghai Communique. Outside there are many opinions in the world and a lot of talk saying that our relations have chilled and our speed has slowed down. But in the essence I believe that both sides hold that the progress of our relations has been normal.

But we should also say it is not correct to say that there is no ground whatsoever for such talk. For instance, the Doctor mentioned yesterday and also in October in his discussions with the Foreign Minister that our cannon are sounding more frequently.

Secretary Kissinger: Yes, and also becoming more accurate.

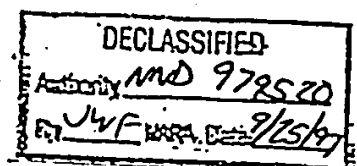
Vice Premier Teng: And it is only natural that there should be some speculation and talk when you send an Ambassador to Taiwan, and when they increase the number of their consulates in the United States.

Secretary Kissinger: Especially since you will never believe that some of our actions are the result of stupidity and not planning. I never knew about the consulates until it had been done.

Vice Premier Teng: As for our views on the question of normalization, I believe the Doctor and other American friends are familiar with these: that is, the Japan way. And in this aspect, you have expressed the desire that we on our side should put forward specific mode of how we should do it. But actually we have given our opinion long ago: that is, the Japan way. On our side we would also hope that you on your side can move forward a few steps.

Secretary Kissinger: Mr. [Vice] Prime Minister, the point in reflecting about what you said -- you have given us a general idea, which is the Japan way. But it is always said the Japanese imitate us. Now you are forcing us to imitate the Japanese. This is a new style. But we can accept that basic principle. But we have a number of special circumstances which the Japanese do not have. And at various stages of our relationship we have found means, which were consistent with your principles, which also took into account our necessities. It is perhaps not proper to ask you to make a specific proposal on an issue that is of such profound principle to you.

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I remember when we drafted our first communique, on my very first visit, when I did not have the pleasure of knowing the Foreign Minister -- I was still being treated gently by the Chinese. But Ambassador Huang Hua, with whom I was drafting the communique, before we started working on the text said let us have a frank talk about what we must have, each of us, and when we do we can find the words. And it worked out that way.

And I think that within the framework of the Japanese model we should have a frank talk of some of our necessities consistent with your principles, and then see whether we can find some way to reach our goal. After this then we can put forward a specific proposal.

Vice Premier Teng: ' We perhaps can go into more detail in the smaller groups.

Secretary Kissinger: I agree.

Vice Premier Teng: But I must first fire a cannon.

Secretary Kissinger: At me?

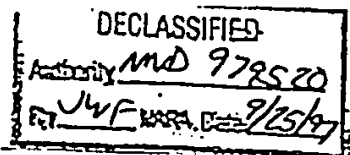
Vice Premier Teng: Well, empty or full, as you like. That is, on this issue, as we see it, you owe us a debt. We don't have to discuss it now.

As for the bilateral issues, as we have said many times, and as Chairman Mao has said and also as Premier Chou En-lai has said in the past, we can sum up our views in two sentences: According to our wishes, we would like this matter to come more quickly; but secondly, we are not so much in a hurry. That is to say, if we are able to reach a point acceptable to both sides in a relatively quicker period of time, we would welcome this.

But Chairman Mao has also said in his talk with the Doctor that we pay special attention to international issues. And therefore we agree with the Doctor that it would be good to do as you proposed; that is, to exchange views on international and bilateral issues in smaller groups.

So we can nominate some people on both sides to discuss the more technical issues and bilateral matters.

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Secretary Kissinger: On our side, Secretary Habib and Mr. Armstrong, and maybe one or two others, will be having our discussions. And Mr. Holdridge from the Liaison Office.

Vice Premier Teng: On our side we will have Director Lin P'ing and Mr. Tsien Ta-yung from our Liaison Office, and also a few others. Would you agree?

Secretary Kissinger: Yes.

Vice Premier Teng: See how easy it is to reach an agreement. [Laughter]

Secretary Kissinger: Our first agreement. We should make a special announcement.

Vice Premier Teng: So do you think that is about all for this section of our discussion?

Secretary Kissinger: We can now go into smaller groups.

Vice Premier Teng: And we can leave it to that group to decide themselves when they would like to meet and what they would like to discuss. Good.

Secretary Kissinger: Good.

Vice Premier Teng: So would you want to rest?

[The meeting adjourned at 11:00 a.m.]

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